1Q 2020 Earnings Call Supplemental Presentation

May 6, 2020

Legal Disclosures

This document contains summarized information concerning Regional Management Corp. (the "Company") and the Company's business, operations, financial performance, and trends. No representation is made that the information in this document is complete. For additional financial, statistical, and business information, please see the Company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well as the Company's other reports filed with the SEC from time to time. Such reports are or will be available on the Company's website (www.regionalmanagement.com) and on the SEC's website (www.sec.gov). The information and opinions contained in this document are provided as of the date of this presentation and are subject to change without notice. This document has not been approved by any regulatory or supervisory authority.

This presentation, the related remarks, and the responses to various questions may contain various "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact but instead represent the Company's expectations or beliefs concerning future events. Forward-looking statements include, without limitation, statements concerning future plans, objectives, goals, projections, strategies, events, or performance, and underlying assumptions and other statements related thereto. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates," "outlook," and similar expressions may be used to identify these forward-looking statements. Such forward-looking statements speak only as of the date on which they were made and are about matters that are inherently subject to risks and uncertainties, many of which are outside of the control of the Company. As a result, actual performance and results may differ materially from those contemplated by these forward-looking statements. Therefore, investors should not place undue reliance on such statements.

Factors that could cause actual results or performance to differ from the expectations expressed or implied in forward-looking statements include, but are not limited to, the following: changes in general economic conditions, including levels of unemployment and bankruptcies; the impact of the recent outbreak of a novel coronavirus (COVID-19), including on the Company's access to liquidity and the credit risk of the Company's finance receivable portfolio; risks associated with the Company's ability to timely and effectively implement, transition to, and maintain the necessary information technology systems, infrastructure, processes, and controls to support its operations and initiatives; risks associated with the Company's loan origination and servicing software system, including the risk of prolonged system outages; risks related to opening new branches, including the ability or inability to open new branches as planned; risks inherent in making loans, including credit risk, repayment risk, and value of collateral, which risks may increase in light of adverse or recessionary economic conditions; risks associated with the implementation of new underwriting models and processes, including as to the effectiveness of new custom scorecards; risks relating to the Company's asset-backed securitization transactions; changes in interest rates; the risk that the Company's existing sources of liquidity become insufficient to satisfy its needs or that its access to these sources becomes unexpectedly restricted; changes in federal, state, or local laws, regulations, or regulatory policies and practices, and risks associated with the manner in which laws and regulations are interpreted, implemented, and enforced; changes in accounting standards, rules, and interpretations, and the failure of related assumptions and estimates, including those associated with the implementation of current expected credit loss (CECL) accounting; the impact of changes in tax laws, guidance, and interpretations; the timing and amount of revenues that may be recognized by the Company; changes in current revenue and expense trends (including trends affecting delinquencies and credit losses); changes in the Company's markets and general changes in the economy (particularly in the markets served by the Company); changes in the competitive environment in which the Company operates or a decrease in the demand for its products; risks related to acquisitions; changes in operating and administrative expenses; and the departure, transition, or replacement of key personnel. The foregoing factors and others are discussed in greater detail in the Company's filings with the SEC. The COVID-19 pandemic may also magnify many of these risks and uncertainties. The Company cannot guarantee future events, results, actions, levels of activity, performance, or achievements. The Company will not update or revise forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events or the non-occurrence of anticipated events, whether as a result of new information, future developments, or otherwise, except as required by law.

This presentation also contains certain non-GAAP measures. Please refer to the Appendix accompanying this presentation for a reconciliation of non-GAAP measures to the most comparable GAAP measures.

Proudly Supporting Our Customers and Employees

REGIONAL MANAGEMENT

Supporting Our Customers

- **Our branches remain open and available to service the needs of our customers**
  - Substantially all of our branches are open, and we have increased the frequency of cleaning and disinfecting our facilities
  - Strictly following CDC guidelines on social distancing
  - Loan closings by appointment only, and we also offer curbside closings
  - Branches offer curbside payment drop-off, and customers are also taking advantage of our customer payment portal
- **Rolling out remote loan closing for customers this month**
- **Communicating with our customers to inform them of our borrower assistance programs, ability to pay via electronic and telephonic means, and branch hours**
- **Rolled out several special borrower assistance programs to support our customers**
  - Special renewal and upsell programs to existing customers
  - Expanded deferral eligibility policies, including waiving late fees

Supporting Our Employees

- **Created an HR contact center designed to:**
  - Monitor employee exposure
  - Address field employee questions and concerns
- **Offering contingent pay for employees that test positive for COVID-19**
- **Expanded the PTO policy to provide employees flexibility to address personal obligations and to assist in situations where employees are unable to work remotely**
- **Implemented more frequent cleaning and sanitizing of our branches, and equipped staff with disinfectant and face masks**
- **Corporate, centralized employees, and some field staff are working remotely using secure remote access connections**

Proven Operating Model and Well Positioned to Manage Through the COVID-19 Crisis

REGIONAL MANAGEMENT

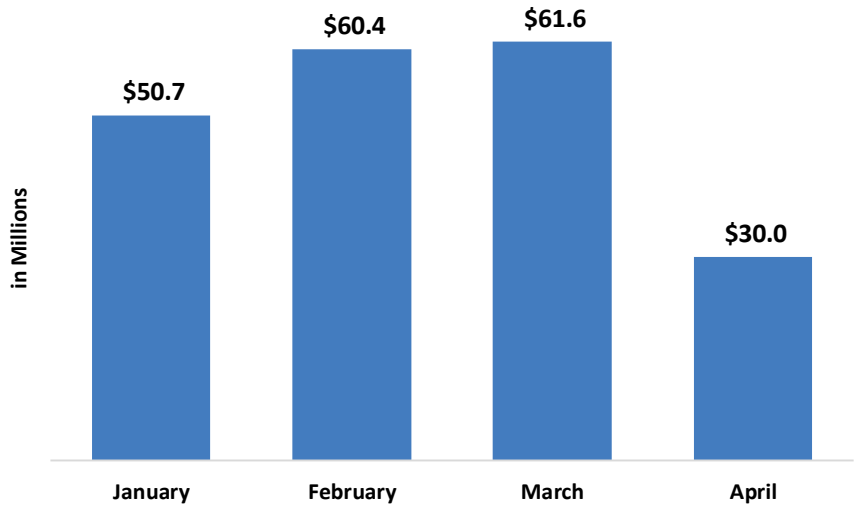
	Our Proven Approach	COVID-19 Response
Customer-Centric Focus	• Strong relationship-driven customer interaction model allows us to create responsible lending solutions and service our customers' needs	• Shifted branch focus toward servicing customers and proactively deployed borrower assistance programs; April 30+ day delinquency rate at 5.4%
Sound Data-Driven Credit Underwriting	• Adoption of new scorecards positions us well throughout the cycle • Proactively monitor credit trends to make underwriting adjustments • Large loan upsell strategy provides "on us" payment history • Proven borrower assistance programs to mitigate losses	• Paused direct mail and digital originations in April to recalibrate risk-adjusted returns • Restarting these channels in May to achieve acceptable risk-adjusted returns under our severe stress scenario • Tightened branch credit underwriting using our custom scorecards
Significant Liquidity and Strong Balance Sheet	• Available liquidity of $110 million as of May 4, 2020 • Liquidity includes $50 million of cash • Conservatively funded debt-to-tangible equity ratio (1) of 3.2x as of March 31, 2020	• Reducing discretionary expenses and pacing investments • Benefits from credit programs support capital and liquidity

(1) This is a non-GAAP measure. Refer to the Appendix (slide 27) for a reconciliation to the most comparable GAAP measure.

Monthly Lending and Collection Activity

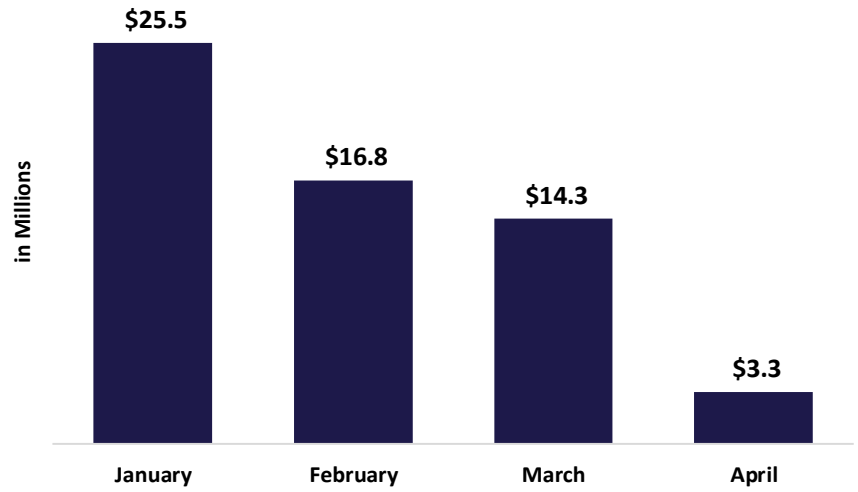
REGIONAL MANAGEMENT

Branch Originations



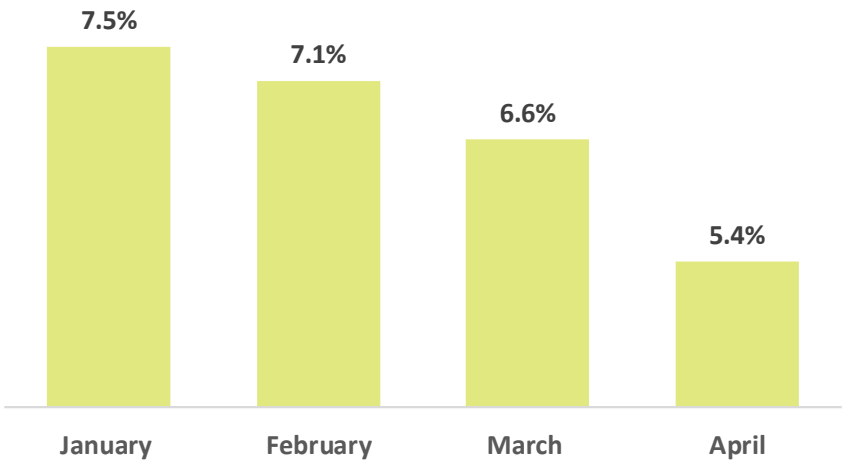
% Y/Y Change	(0%)	20%	4%	(63%)
March 1H / 2H			32% / (20%)	

Direct Mail & Digital Originations



% Y/Y Change	0%	(10%)	(5%)	(82%)
March 1H / 2H			(15%) / 2%	

30+ Delinquencies



- January branch originations impacted by system outage with a strong rebound in February. First half of March originations were up 23%, but down 15% in the second half of March due to COVID-19
- Second half of March and April originations down due to temporary pause in direct mail and digital investments, as well as slow demand in the branch channel
- Continue to see the benefits of new credit scorecards
- April delinquency improvement related to borrower assistance programs and government stimulus

Significant Capacity to Absorb Losses

REGIONAL MANAGEMENT

Our balance sheet is in a strong position to absorb losses

Absorption Capacity (in millions)	1Q 20
Total stockholders' equity	$251.4
Allowance for credit losses	$142.4
Total absorption capacity	**$393.8**
Absorption capacity as % of net finance receivables	**35.7%**
TTM Margin (revenue less G&A and interest expense) (1)	$164.4
Additional capacity using TTM margin	**14.9%**
Total absorption capacity with TTM margin	**50.6%**
TTM Net credit loss rate (2)	**9.5%**
Net finance receivables	$1,102.3

(1) TTM Margin defined as total revenue of $370.0 million, less general and administrative expenses of $165.0 million and interest expense of $40.6 million from 2Q 19 through 1Q 20
(2) Net credit losses as a percentage of average net finance receivables

1Q 20 Financial Highlights

REGIONAL MANAGEMENT

dollars in millions (except per share amounts)	1Q 20	1Q 19	$ Chg B/(W)	% Chg B/(W)
Average net finance receivables (ANR)	$ 1,123.3	$ 944.8	$ 178.6	18.9%
Interest & fee income	87.0	74.3	12.7	17.1%
Total revenue	96.1	81.7	14.3	17.5%
Provision for credit losses	49.5	23.3	(26.2)	(112.1%)
G&A expense	46.2	38.2	(8.1)	(21.1%)
Interest expense	10.2	9.7	(0.4)	(4.5%)
Net income (loss)	(6.3)	8.1	(14.4)	(178.0%)
ROA	(2.3%)	3.4%	(5.7%)	(167.6%)
ROE	(9.4%)	11.5%	(20.9%)	(181.7%)
Diluted EPS	**$ (0.56)**	**$ 0.67**	**$ (1.23)**	**(183.6%)**

- **Net loss of $6.3 million, or $0.56 diluted loss per share**
- **Total revenue growth of 17.5% driven by $178.6 million year-over-year average portfolio growth**
  - Interest and fee income up 17.1% year-over-year on 18.9% increase in average net finance receivables
  - Insurance income, net increased $1.8 million, driven by an increase in premium revenue and a decrease in non-file insurance claims expense (due to the previously disclosed change in business practice to lower the utilization of non-file insurance), partially offset by a $1.3 million reserve for COVID-19 unemployment insurance claims
- **Provision for credit losses up 112.1%, or $26.2 million, primarily due to:**
  - $23.9 million increase in the allowance for credit losses resulting from COVID-19
  - 18.9% increase in average net finance receivables
- **Operating expense ratio increased 0.3% over prior year to 16.5%**
  - 1Q 20 included approximately $3.8 million of non-operating costs; $3.1 million related to the executive transition and $0.7 million from the system outage
- **Interest expense increase of 4.5%, primarily due to portfolio growth, offset by Fed rate decreases**

1Q 20 Adjustments to GAAP Results

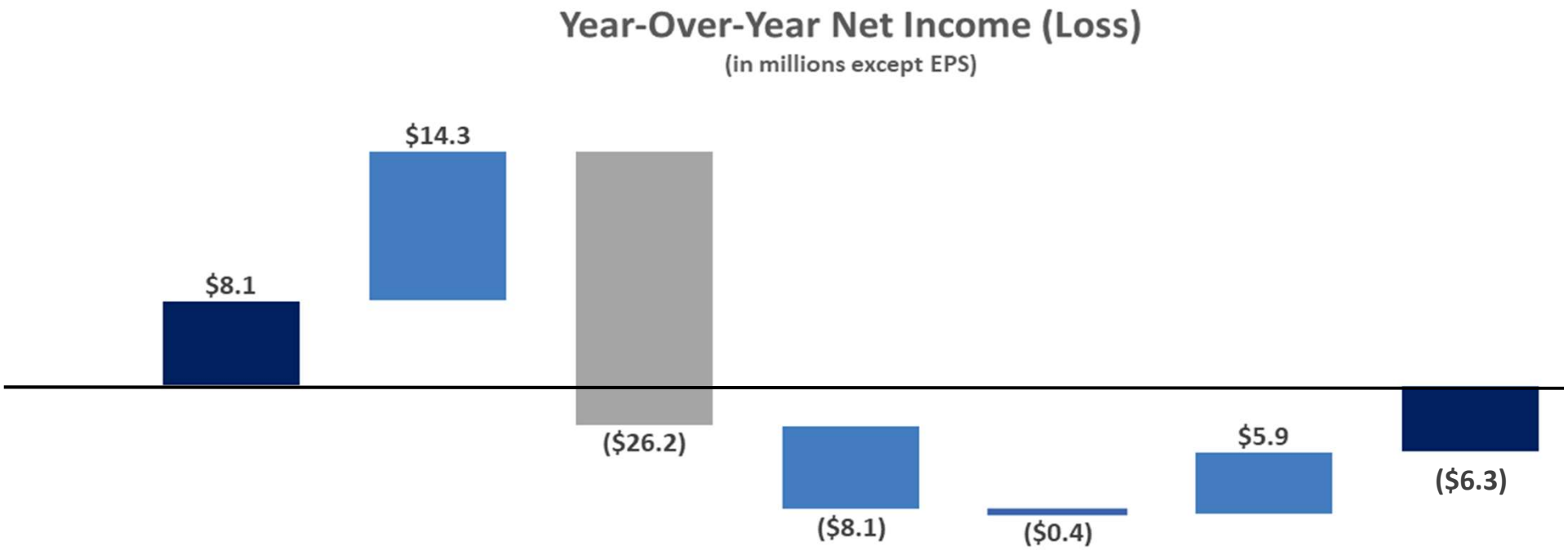
REGIONAL MANAGEMENT

in millions (except per share amounts)	GAAP Results	COVID-19 Impact [1]	Non-Operating Items [2]	Non-GAAP Results
Total revenue	$96.1	$1.3	$0.4	$97.8
Provision for credit losses	49.5	(23.9)	(0.7)	24.9
G&A expense	46.2	-	(3.8)	42.5
Interest expense	10.2	-	-	10.2
Income (loss) before income taxes	(9.9)	25.2	4.9	20.2
Income taxes	(3.5)	9.2	1.8	7.4
Net income (loss)	**($6.3)**	**$16.1**	**$3.1**	**$12.8**
Diluted earnings (losses) per share	($0.56)	$1.43	$0.27	$1.14
Diluted share count	11.3	11.3	11.3	11.3

(1) COVID-19 impact includes $23.9 million for allowance for credit losses and a $1.3 million reserve for unemployment insurance claims

(2) Non-operating items include $3.1 million of executive transition costs and $1.8 million related to the system outage

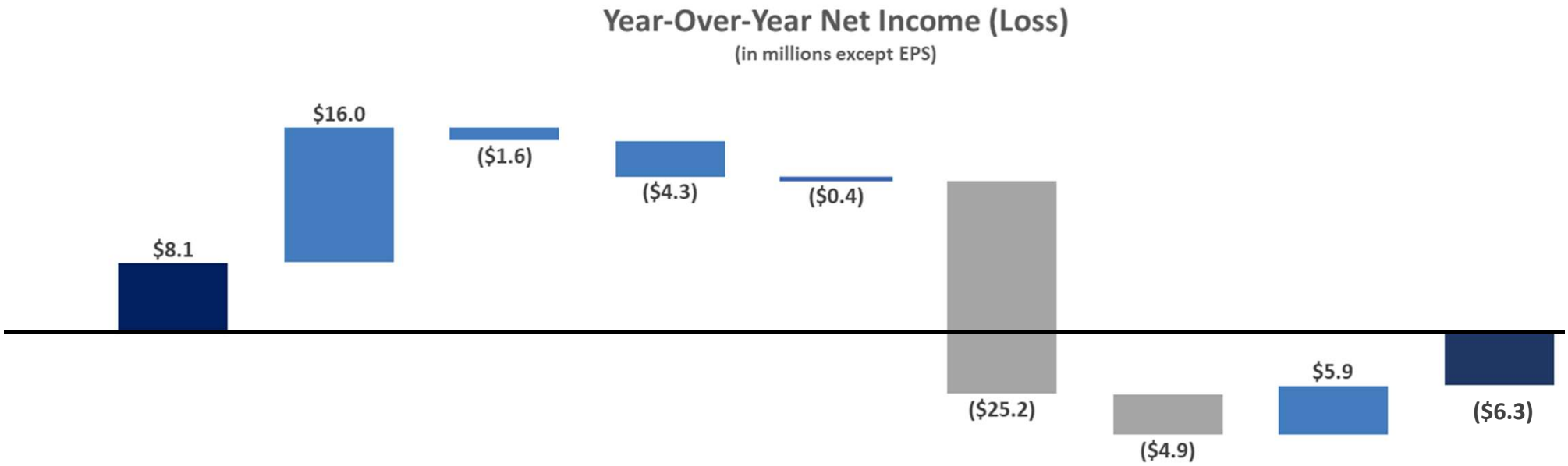
1Q 20 GAAP Results vs. 1Q 19



	1Q 19 Net Income	Total Revenue	Provision for Credit Losses	G&A Expense	Interest Expense	Income Taxes	1Q 20 Net Loss [1]
1Q 20		$96.1	$49.5	$46.2	$10.2	($3.5)	($6.3)
1Q 19		$81.7	$23.3	$38.2	$9.7	$2.4	$8.1
B/(W)		$14.3	($26.2)	($8.1)	($0.4)	$5.9	($14.4)
EPS	$0.67	$0.24	($1.32)	($0.19)	$0.04	-	($0.56)

(1) Includes adjustments for $23.9 million of COVID-19 impacts, a $1.3 million reserve for unemployment insurance claims, costs of $3.1 million related to the executive transition, and $1.8 million related to the loan management system outage

1Q 20 Non-GAAP Results Impacted by COVID-19



	1Q 19 Net Income	Total Revenue	Provision for Credit Losses	G&A Expense	Interest Expense	COVID-19 Impact [1]	Non-Operating Items [2]	Income Taxes	1Q 20 Net Loss
1Q 20		$97.8	$24.9	$42.5	$10.2	$25.2	$4.9	($3.5)	($6.3)
1Q 19		$81.7	$23.3	$38.2	$9.7	-	$0.0	$2.4	$8.1
B/(W)		$16.0	($1.6)	($4.3)	($0.4)	($25.2)	($4.9)	$5.9	($14.4)
EPS	$0.67	$0.33	$0.07	$0.03	$0.04	($1.43)	($0.27)	-	($0.56)

$1.70

(1) COVID-19 impact includes $23.9 million for allowance for credit losses and a $1.3 million reserve for unemployment claims

(2) Non-operating items include $3.1 million of executive transition costs and $1.8 million related to the system outage

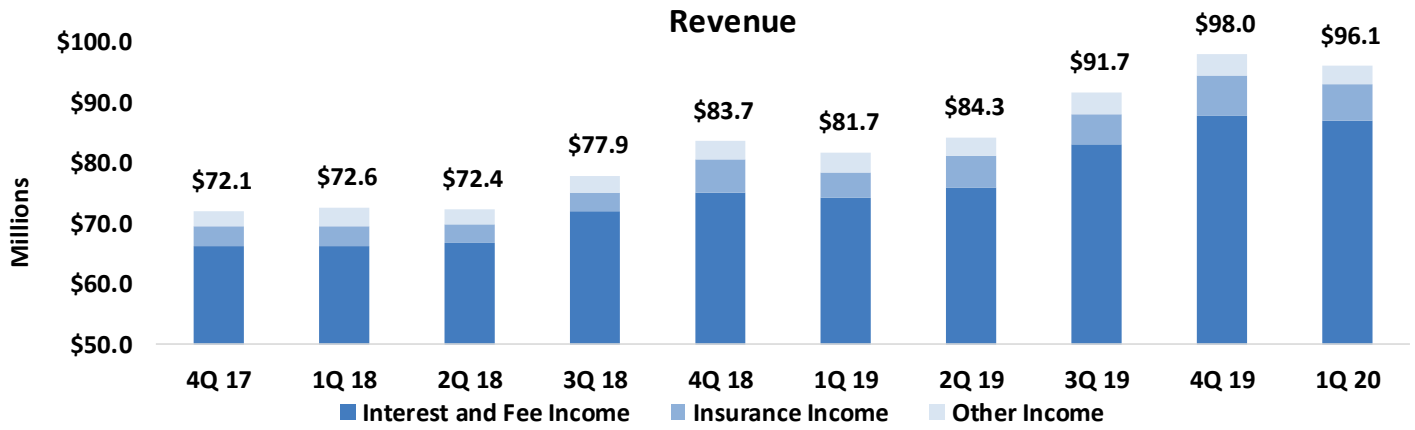
Strong Portfolio Growth

REGIONAL MANAGEMENT

	Ending Net Finance Receivables (ENR)										vs. 4Q 19		vs. 1Q 19	
in millions	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	$ Chg I/(D)	% Chg I/(D)	$ Chg I/(D)	% Chg I/(D)
Small loans (≤ $2,500)	$380	$364	$389	$419	$442	$426	$435	$454	$468	$440	($27)	(5.8%)	$14	3.4%
Large loans (≥ $2,500)	359	377	406	424	452	455	516	575	632	633	1	0.1%	177	39.0%
Core loan products	**$739**	**$741**	**$794**	**$843**	**$895**	**$881**	**$951**	**$1,029**	**$1,100**	**$1,073**	**($27)**	**(2.4%)**	**$192**	**21.8%**
Automobile loans	62	49	40	32	26	21	16	12	10	8	(2)	(21.9%)	(13)	(63.4%)
Retail loans	33	32	31	31	30	29	28	26	24	22	(2)	(9.2%)	(7)	(25.4%)
Total	**$834**	**$822**	**$865**	**$906**	**$951**	**$931**	**$995**	**$1,067**	**$1,133**	**$1,102**	**($31)**	**(2.7%)**	**$171**	**18.4%**
Total YoY Δ ($)	**$105**	**$115**	**$126**	**$117**	**$117**	**$109**	**$130**	**$161**	**$182**	**$171**				
Total YoY Δ (%)	**14.4%**	**16.3%**	**17.0%**	**14.8%**	**14.0%**	**13.3%**	**15.0%**	**17.8%**	**19.2%**	**18.4%**				

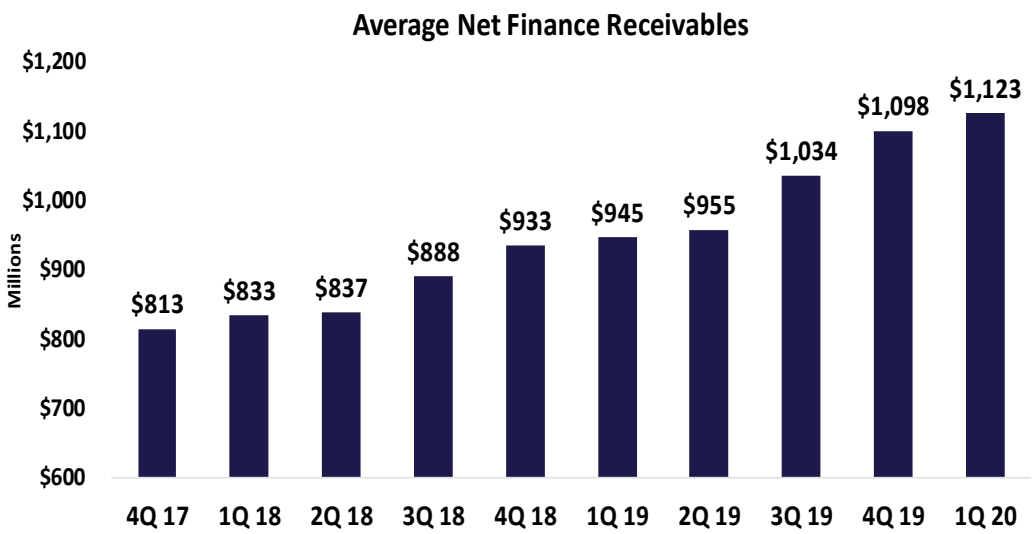
- 20 consecutive quarters of year-over-year double-digit growth in ending net finance receivables
- Strong core loan growth of 22% from prior year

Strong Revenue Growth Driven by Portfolio Growth

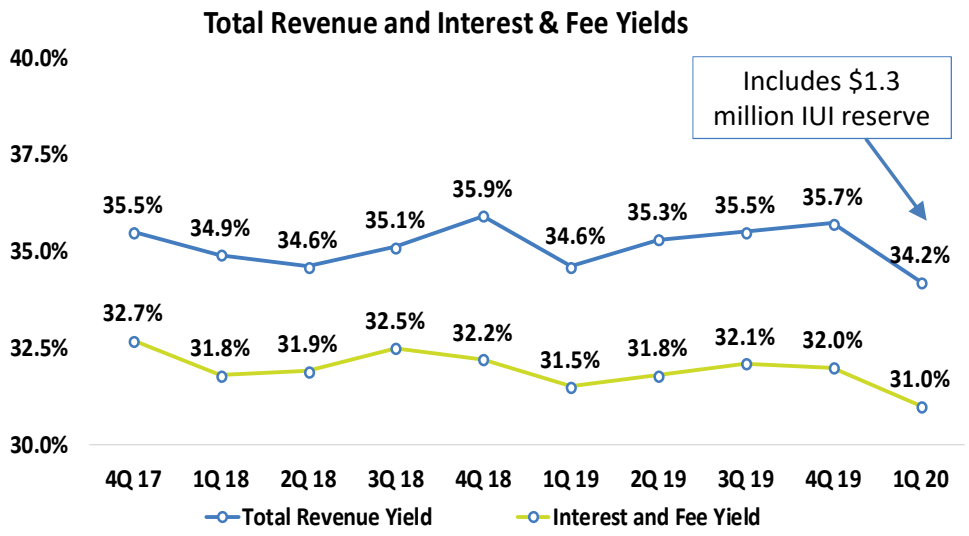


Sequential Δ	4.2%	0.7%	(0.3%)	7.6%	7.5%	(2.4%)	3.1%	8.8%	6.8%	(1.9%)
YoY Δ	12.6%	10.3%	10.8%	12.6%	16.1%	12.6%	16.4%	17.7%	17.0%	17.5%

- Total revenue increased 17.5% vs. the prior-year period
- Interest and fee yield decreased 50 basis points vs. the prior-year period, as large loan portfolio growth outpaced higher-yielding small loan growth
- As of March 31, 2020, 77.8% of net finance receivables were at or below 36% APR



Sequential Δ	5.9%	2.5%	0.5%	6.2%	5.0%	1.3%	1.1%	8.3%	6.2%	2.3%
YoY Δ	13.2%	15.5%	16.3%	15.8%	14.8%	13.5%	14.1%	16.4%	17.8%	18.9%

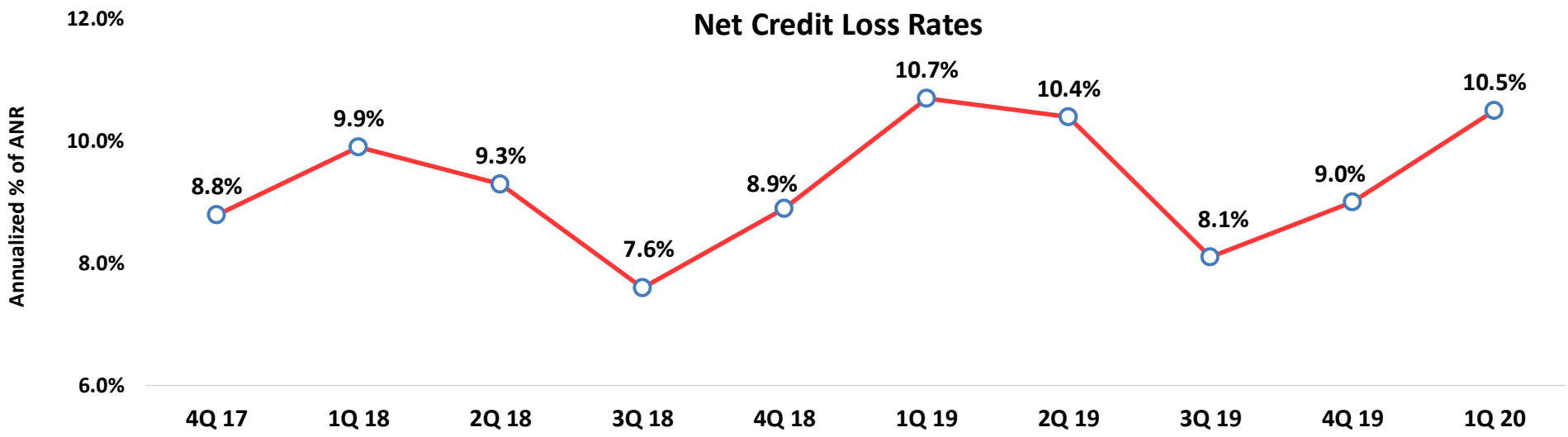


Sequential Δ	(0.6%)	(0.6%)	(0.3%)	0.5%	0.8%	(1.3%)	0.7%	0.2%	0.2%	(1.5%)
YoY Δ	(0.2%)	(1.6%)	(1.7%)	(1.0%)	0.4%	(0.3%)	0.7%	0.4%	(0.2%)	(0.4%)

Note: Table above reflects changes in total revenue yield

Recent Net Credit Loss Trends

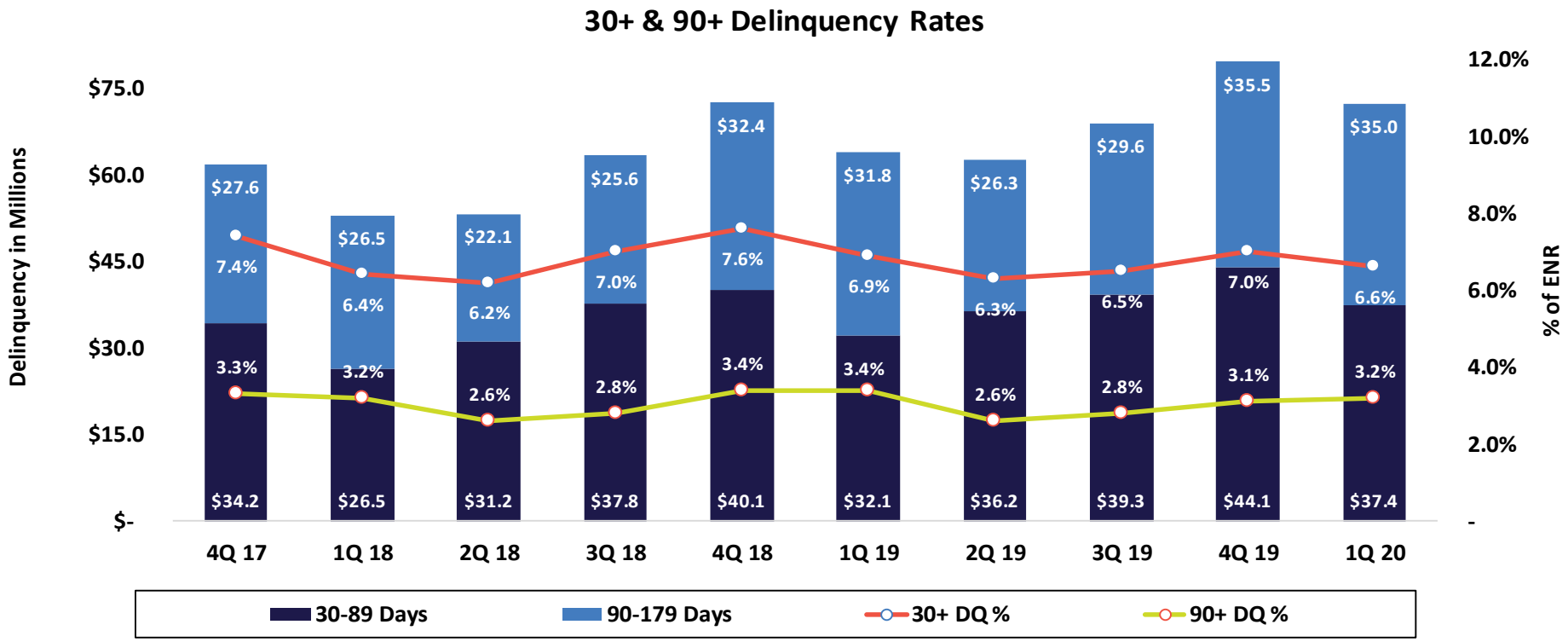
- Annualized net credit loss rate decreased 20 basis points vs. the prior-year period. Net credit losses in 1Q 20 include 20 basis points of incremental non-file insurance claims (bankruptcy losses) that shifted to net credit losses following the business policy change implemented in 4Q 18 and 30 basis points of net credit losses related to the system outage at the beginning of 1Q 20. Net credit losses in 1Q 19 include 40 basis points of hurricane-related credit losses from the 2018 hurricane.



Sequential Δ	1.1%	1.1%	(0.6%)	(1.7%)	1.3%	1.8%	(0.3%)	(2.3%)	0.9%	1.5%
Year/Year Δ	(0.8%)	(0.9%)	(0.5%)	(0.1%)	0.1%	0.8%	1.1%	0.5%	0.1%	(0.2%)
Net credit loss rate above includes:										
Non-file claims	0.4%	0.3%	0.2%	0.3%	0.8%	0.7%	0.7%	0.7%	0.9%	0.9%
System outage	-	-	-	-	-	-	-	-	-	0.3%
Hurricane losses	-	0.4%	0.5%	-	0.1%	0.4%	0.6%	-	-	-

Seasonal Pattern of Delinquency

- 1Q 20 delinquency is down from prior year
  - 30+ days past due of 6.6% is 30 basis points lower than prior year
  - 90+ days past due of 3.2% is 20 basis points lower than prior year

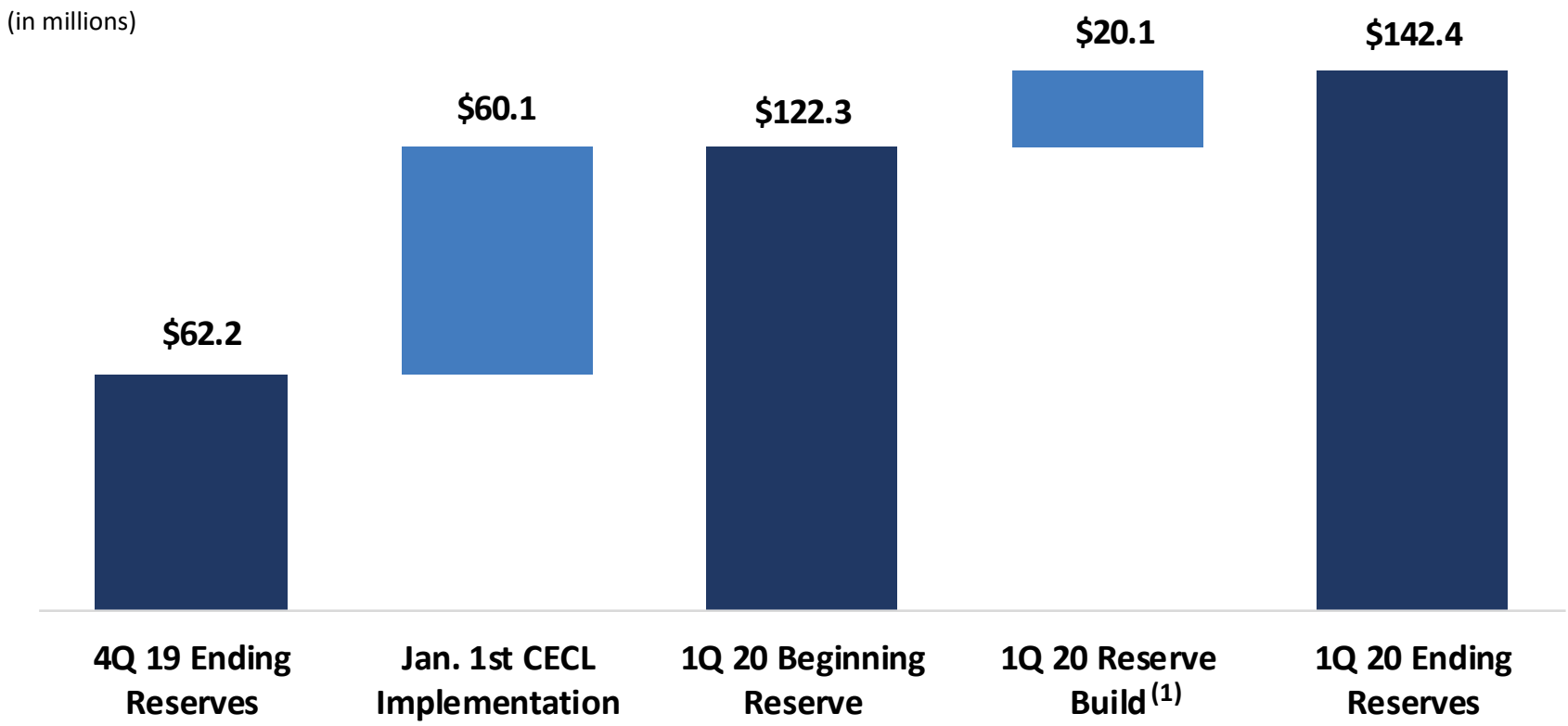


30+ DQ	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20
Sequential Δ	0.6%	(1.0%)	(0.2%)	0.8%	0.6%	(0.7%)	(0.6%)	0.2%	0.5%	(0.4%)
YoY Δ	-	-	(0.3%)	0.2%	0.2%	0.5%	0.1%	(0.5%)	(0.6%)	(0.3%)

90+ DQ	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20
Sequential Δ	0.4%	(0.1%)	(0.6%)	0.2%	0.6%	-	(0.8%)	0.2%	0.3%	0.1%
YoY Δ	(0.2%)	0.2%	(0.1%)	(0.1%)	0.1%	0.2%	-	-	(0.3%)	(0.2%)

CECL Implementation with Related Stress from COVID-19

We ran several macroeconomic stress scenarios, and our final forecast contemplated the following: a 34% peak-to-trough decrease in GDP in the second quarter and unemployment increasing to 20% in the second quarter of 2020, with a decline to 7% by mid-2021. The macroeconomic scenario was adjusted for the potential benefits of the federal stimulus and internal borrower assistance programs.

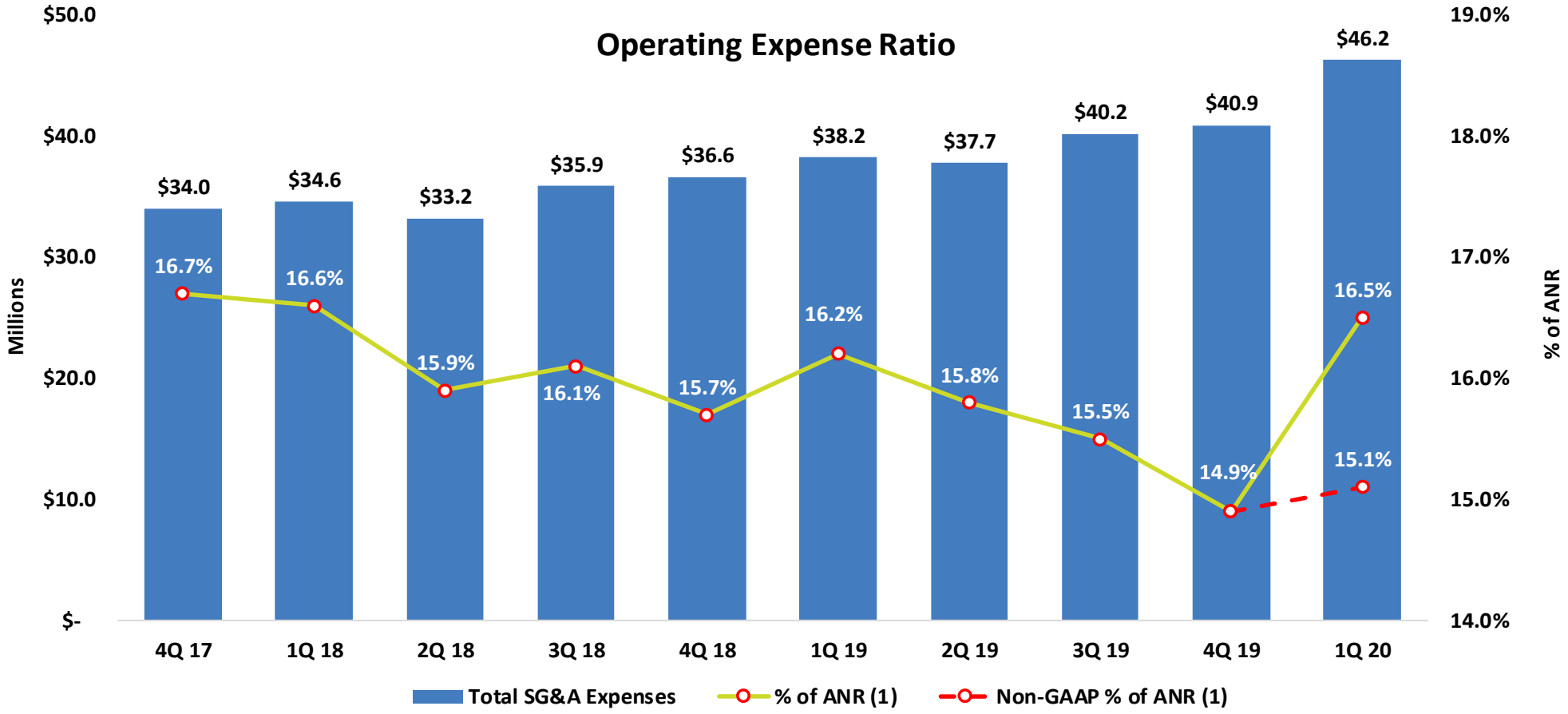


Reserves as % of ENR	**5.5%**	**5.3%**	**10.8%**	**2.1%**	**12.9%**

(1) Includes $23.9 million of COVID-19 impact (less $3.8 million primarily related to portfolio liquidation)

Achieving Operating Leverage

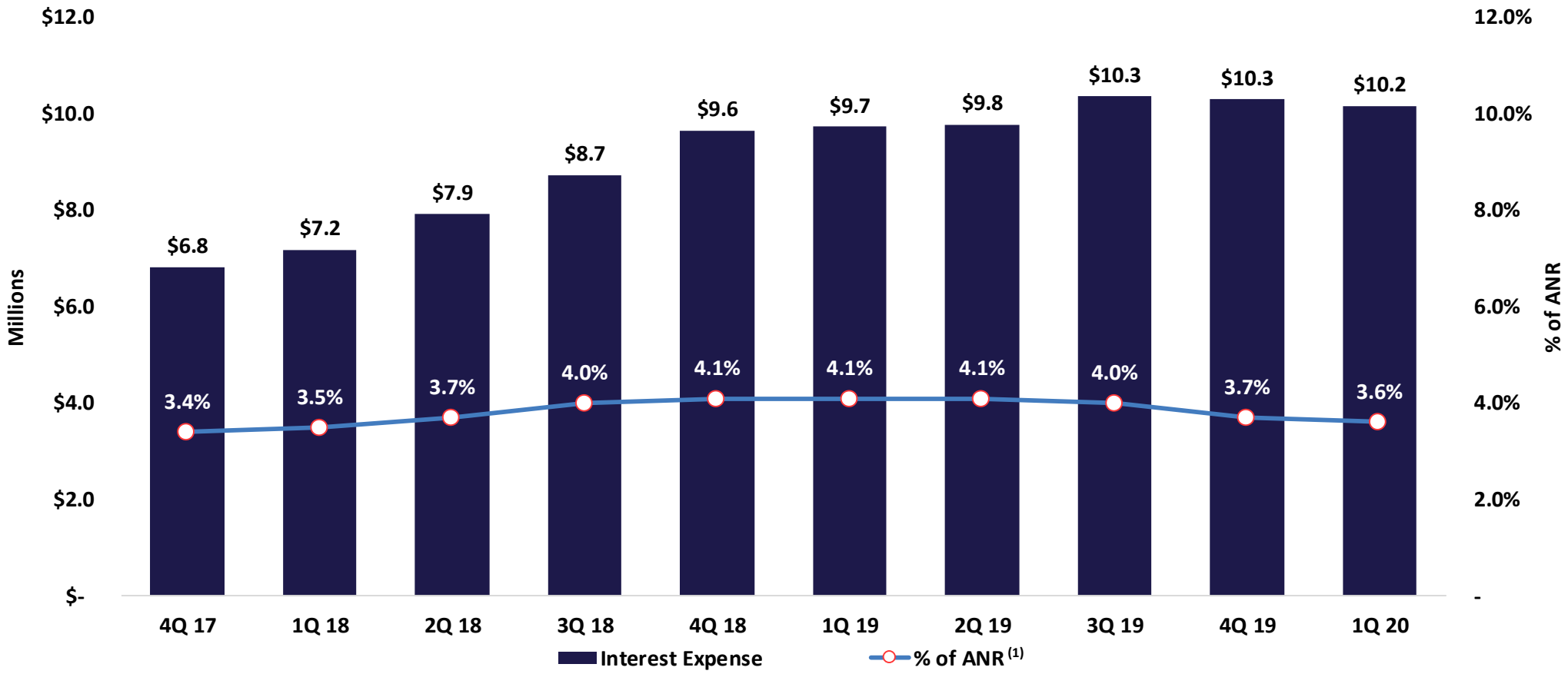
- 1Q 20 includes 135 basis points of non-operating costs; $3.1 million related to the executive transition and $0.7 million from the system outage



As % of ANR (1)	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20
Year/Year Δ	0.6%	(0.9%)	(1.7%)	(1.5%)	(1.0%)	(0.4%)	(0.1%)	(0.6%)	(0.8%)	0.3%

(1) Annualized general and administrative expenses as a percentage of average net finance receivables

Cost of Funds Trending Downward

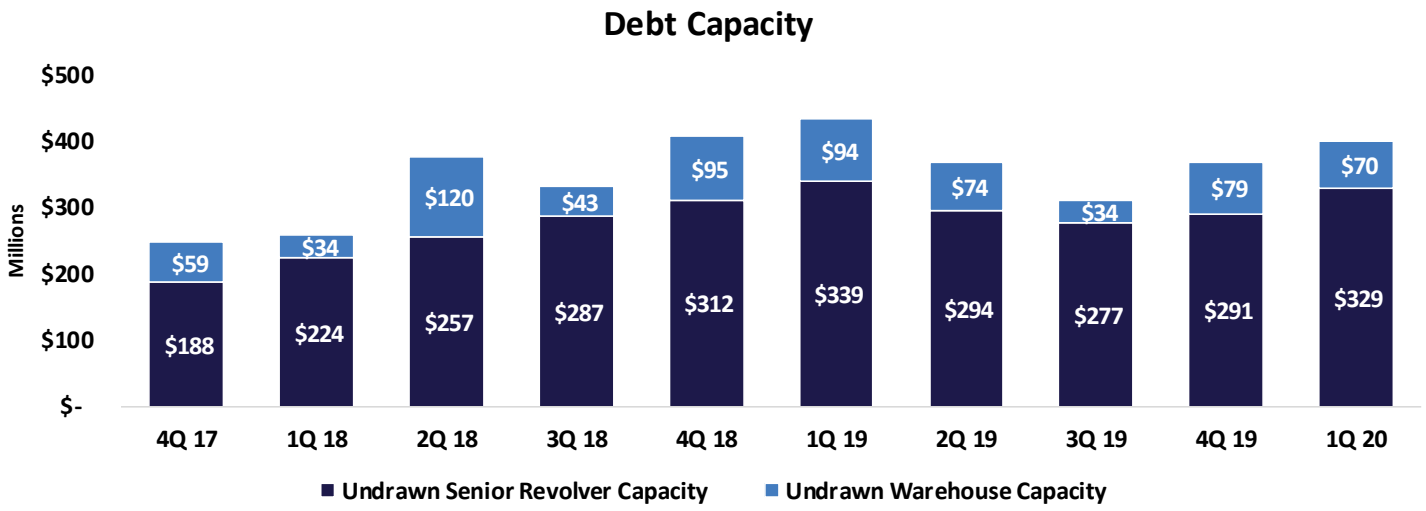


As % of ANR (1)	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20
Year/Year Δ	0.4%	0.7%	0.8%	0.5%	0.7%	0.6%	0.4%	-	(0.4%)	(0.5%)

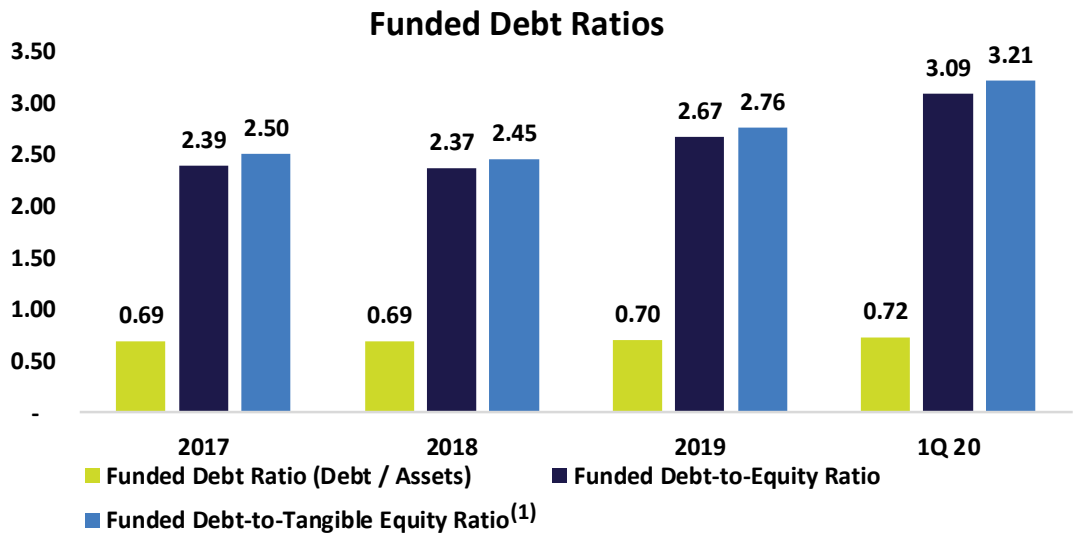
- 1Q 20 annualized interest expense as a percentage of average net finance receivables decreased 50 basis points from the prior-year period
- Senior revolver has a 1% LIBOR floor; as such we are nearing the lower end of our cost of funds

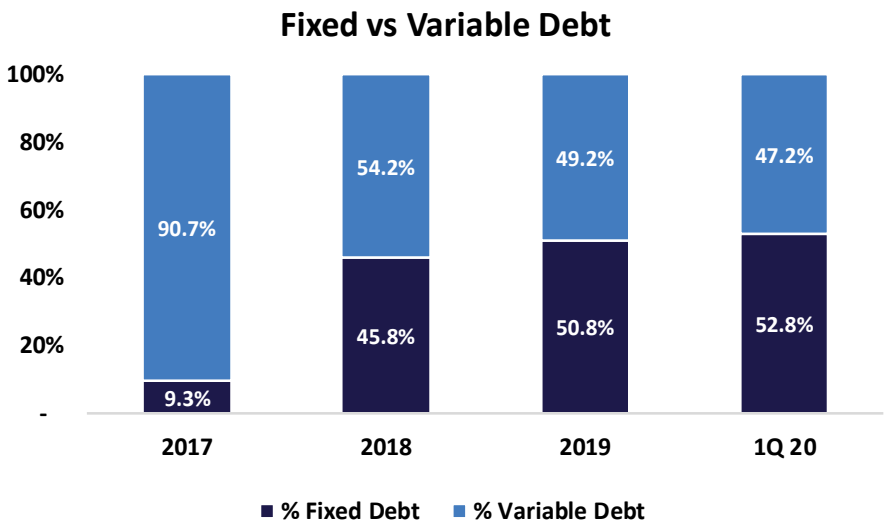
(1) Annualized interest expense as a percentage of average net finance receivables

Strong Funding Profile



- As of March 31, 2020, total undrawn capacity was $400 million (subject to borrowing base)
- $130 million securitization in 4Q 19 increased capacity
- Fixed-rate debt represents 53% of total debt
- Senior revolver has a 1% LIBOR floor; as such we are nearing the lower end of our cost of funds





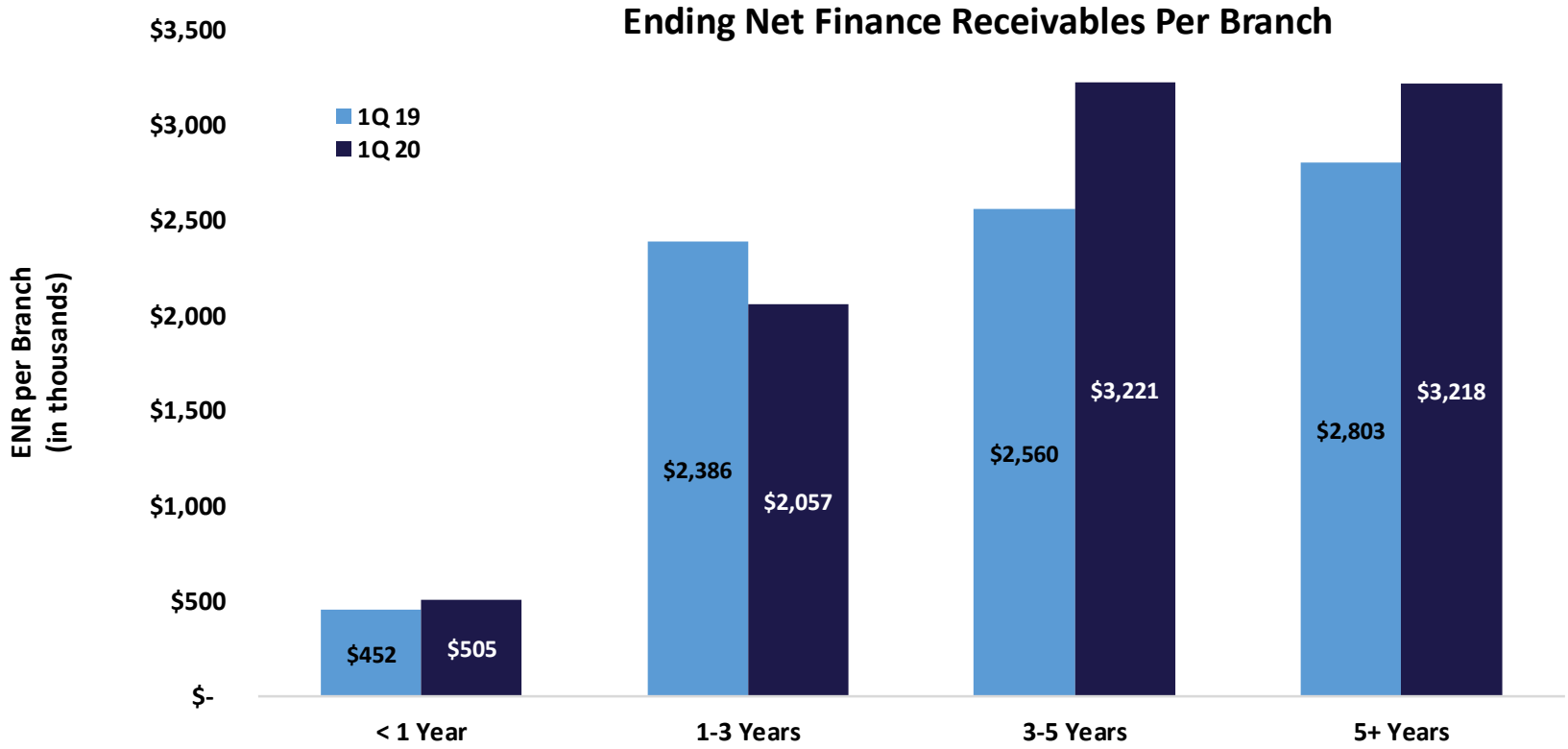
Interest Expense % (2)	3.2%	3.7%	4.0%	3.6%

(1) This is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measure.
(2) Interest expense as a percentage of average net finance receivables

Appendix

Same Store Portfolio Growth

- Same store[1] portfolio growth in 1Q 20 of 17.6% vs. 12.0% in the prior-year period
- Considerable growth opportunities in our existing branch footprint, particularly from branches opened within the last 3 years
- Wisconsin de novo branches moved from <1 year to 1-3 year cohort, driving the ENR per branch below the 2019 1-3 year cohort

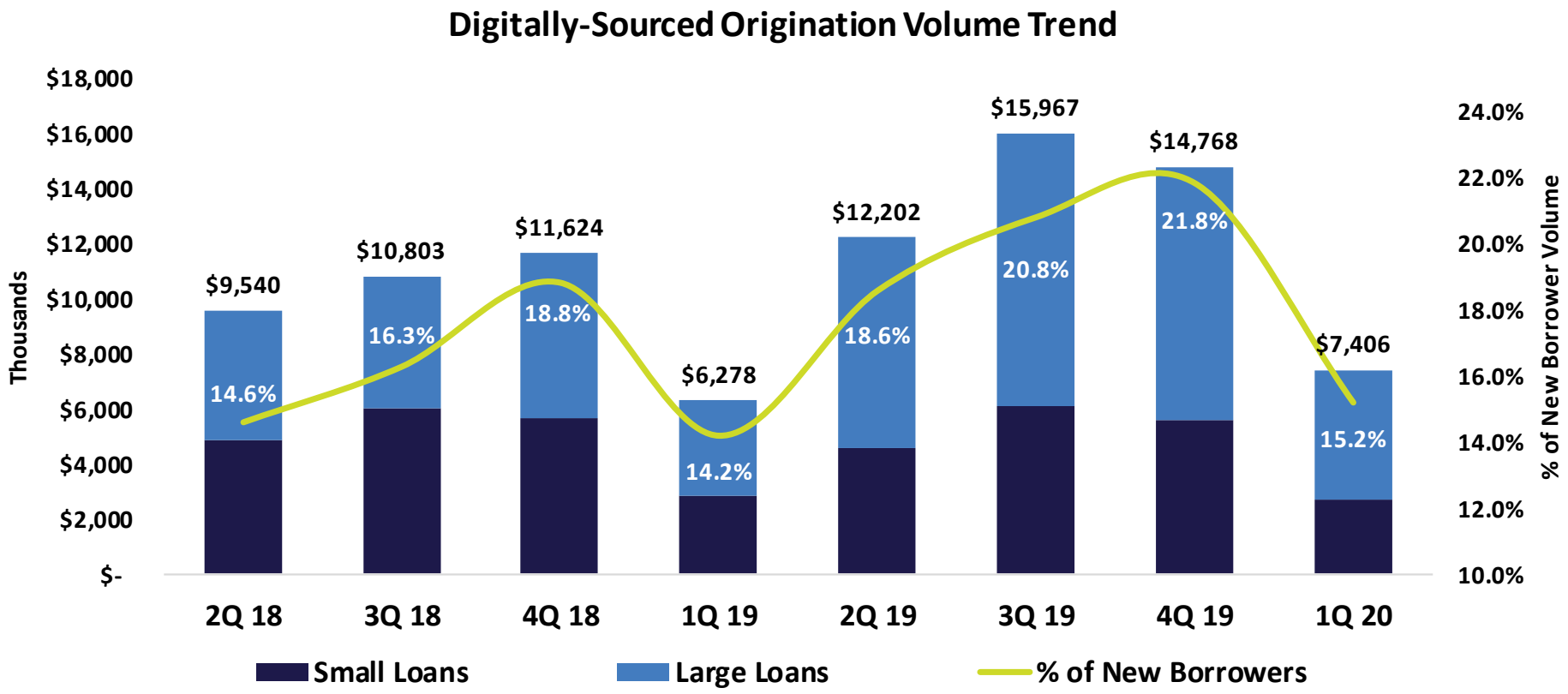


	< 1 Year	1-3 Years	3-5 Years	5+ Years
# of Branches (1Q 20)	17	31	37	283
# of Branches (1Q 19)	23	20	65	252

(1) Same store sales are based on branches more than 1 year old

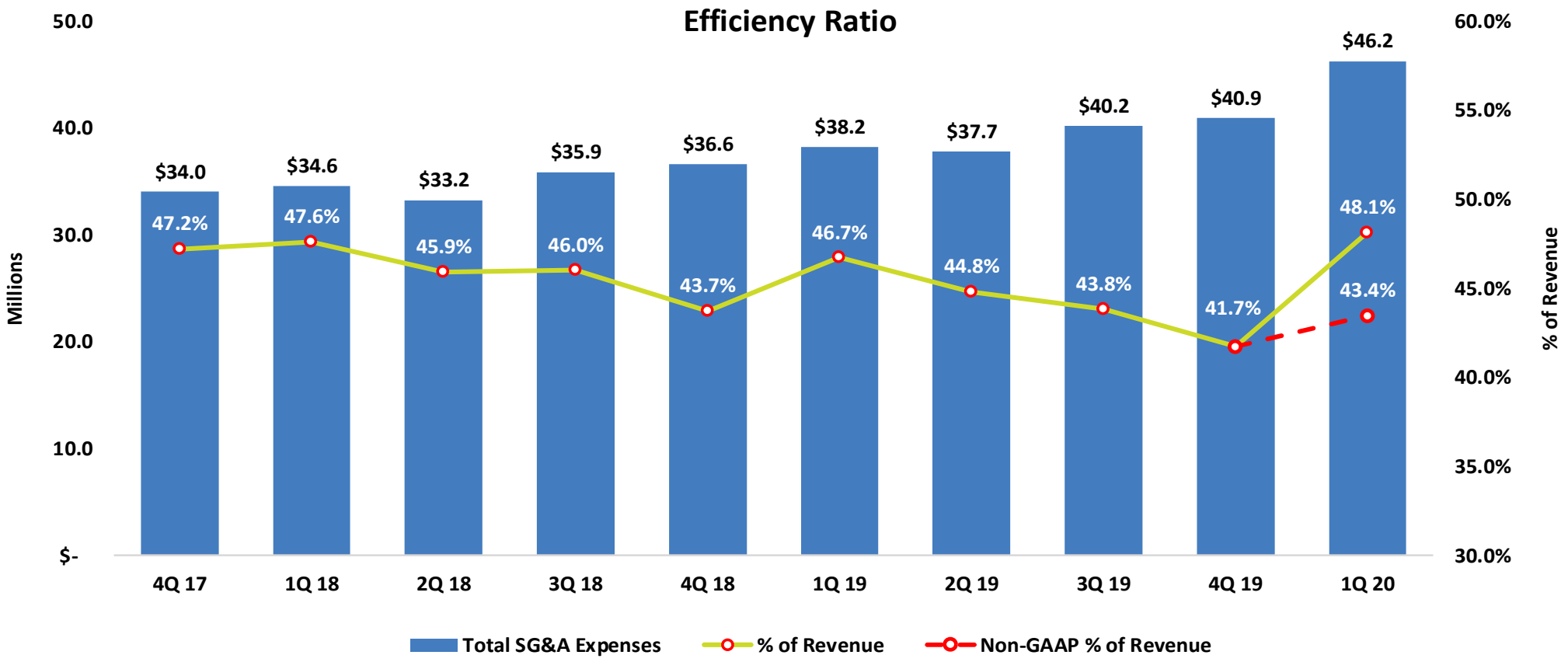
Digitally-Sourced Originations

- Digital originations are sourced from either our affiliate partnerships or directly from our website
- All digitally-sourced loans are underwritten in our branches by our custom credit scorecards and serviced by our branches
- As of 1Q 20, our digitally-sourced volume represented approximately 15% of our total new borrower volume, inclusive of convenience checks cashed
  - Large loans represented 63% of digitally-sourced loans booked



Achieving Operating Leverage

- 1Q 20 includes 470 basis points related to the impact of non-operating items, including the executive transition, loan management system outage, and unemployment insurance claim reserves related to COVID-19



As % of Revenue	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20
Year/Year Δ	2.2%	(0.2%)	(2.5%)	(2.9%)	(3.5%)	(0.9%)	(1.1%)	(2.2%)	(2.0%)	1.4%

Diversified Liquidity Profile

REGIONAL MANAGEMENT

- **Long history of liquidity support from a strong group of banking partners**
- **Diversified funding platform with a senior revolving facility, warehouse facility, and securitizations**

Senior Revolver

- **Size:** $640 million
- **Interest Type:** Floating
- **Maturity:** September 2022
- **Lenders**: Wells Fargo Bank (Agent), Bank of America, BMO Harris, First Tennessee, Texas Capital, Synovus, Bank United, Axos Bank
- **Collateral:** Allows for the funding of Small, Large, and Retail loans
- Facility has been upsized and renewed multiple times over the last 30 years
- Amendment added flexibility to execute on small loan securitizations and warehouse facilities

Warehouse Facility

- **Size:** Up to $150 million
- **Interest Type:** Floating
- **Maturity:** April 2022
- **Administrative Agent:** Wells Fargo Bank
- **Structuring Agent:** Credit Suisse
- **Collateral:** Allows for the funding of Large Loans

Large Loan Securitizations

- **Size:** Successfully completed three transactions totaling $410 million
- **Interest Type:** Fixed
- **Maturities:**
  $150 million, Jul. 2027, WAC – 3.93%
  $130 million, Jan. 2028, WAC – 4.87%
  $130 million, Nov. 2028, WAC – 3.17%
- **Lenders**: Qualified institutional investors
- **Collateral:** Allows for the funding of Large Loans

Consolidated Income Statements

REGIONAL MANAGEMENT

in thousands	1Q 20	1Q 19	2019	2018	2017	2016
Revenue						
Interest and fee income	$ 86,997	$ 74,322	$ 321,169	$ 280,121	$ 249,034	$ 220,963
Insurance income, net	5,949	4,113	20,817	14,793	13,061	9,456
Other income	3,128	3,313	13,727	11,792	10,364	10,099
Total revenue	96,074	81,748	355,713	306,706	272,459	240,518
Expenses						
Provision for credit losses	49,522	23,343	99,611	87,056	77,339	63,014
Personnel	29,511	22,393	94,000	84,068	75,992	68,979
Occupancy	5,771	6,165	24,618	22,519	21,530	20,059
Marketing	1,686	1,651	8,206	7,745	7,128	6,837
Other	9,275	7,974	30,160	25,952	26,305	22,757
Total general and administrative	46,243	38,183	156,984	140,284	130,955	118,632
Interest expense	10,159	9,721	40,125	33,464	23,908	19,924
Income (loss) before income taxes	(9,850)	10,501	58,993	45,902	40,257	38,948
Income taxes	(3,525)	2,393	14,261	10,557	10,294	14,917
Net income (loss)	**$ (6,325)**	**$ 8,108**	**$ 44,732**	**$ 35,345**	**$ 29,963**	**$ 24,031**

Consolidated Balance Sheets

REGIONAL MANAGEMENT

in thousands	1Q 20	1Q 19	2019	2018	2017	2016
Cash	$ 14,668	$ 2,331	$ 2,263	$ 3,657	$ 5,230	$ 4,446
Net finance receivables	1,102,285	930,844	1,133,404	951,183	834,045	729,161
Unearned insurance premiums	(28,183)	(18,594)	(28,591)	(18,940)	(16,582)	(11,386)
Allowance for credit losses	(142,400)	(56,400)	(62,200)	(58,300)	(48,910)	(41,250)
Net finance receivables, less unearned insurance premiums and allowance for credit losses	931,702	855,850	1,042,613	873,943	768,553	676,525
Restricted cash	54,649	38,917	54,164	46,484	16,787	8,297
Lease assets	26,729	24,831	26,438	-	-	-
Property and equipment	15,155	14,181	15,301	13,926	12,294	11,693
Intangible assets	9,144	9,722	9,438	10,010	10,607	6,448
Deferred tax asset	20,025	-	619	-	-	33
Other assets	6,818	7,635	7,704	8,375	16,012	4,782
Total assets	$ 1,078,890	$ 953,467	$ 1,158,540	$ 956,395	$ 829,483	$ 712,224
Long-term debt	$ 777,847	$ 628,786	$ 808,218	$ 660,507	$ 571,496	$ 491,678
Unamortized debt issuance costs	(8,581)	(8,338)	(9,607)	(9,158)	(4,950)	(2,152)
Net long-term debt	769,266	620,448	798,611	651,349	566,546	489,526
Accounts payable and accrued expenses	29,459	17,470	28,676	25,138	18,565	15,223
Lease liabilities	28,803	26,474	28,470	-	-	-
Deferred tax liability	-	1,259	-	747	4,961	-
Total liabilities	827,528	665,651	855,757	677,234	590,072	504,749
Common stock	1,366	1,347	1,350	1,332	1,321	1,300
Additional paid-in capital	103,488	99,310	102,678	98,778	94,384	92,432
Retained earnings	196,582	212,205	248,829	204,097	168,752	138,789
Treasury stock	(50,074)	(25,046)	(50,074)	(25,046)	(25,046)	(25,046)
Total stockholders' equity	251,362	287,816	302,783	279,161	239,411	207,475
Total liabilities and stockholders' equity	$ 1,078,890	$ 953,467	$ 1,158,540	$ 956,395	$ 829,483	$ 712,224

Non-GAAP Financial Measures

REGIONAL MANAGEMENT

In addition to financial measures presented in accordance with generally accepted accounting principles ("GAAP"), this press release contains certain non-GAAP financial measures. The company's management utilizes non-GAAP measures as additional metrics to aid in, and enhance, its understanding of the company's financial results. Tangible equity and funded debt-to-tangible equity ratio are non-GAAP measures that adjust GAAP measures to exclude intangible assets. Management uses these equity measures to evaluate and manage the company's capital and leverage position. The company also believes that these equity measures are commonly used in the financial services industry and provide useful information to users of the company's financial statements in the evaluation of its capital and leverage position. In addition, the company has presented non-GAAP measures that adjust for the impacts of the COVID-19 pandemic, the executive transition, and the loan management system outage. The company believes that these non-GAAP measures provide useful information by excluding certain material items that may not be indicative of our core operating results. As a result, the company believes that the non-GAAP measures that it has presented will allow for a better evaluation of the operating performance of the business.
This non-GAAP financial information should be considered in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. In addition, the company's non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies. The following tables provide a reconciliation of GAAP measures to non-GAAP measures.

in thousands	GAAP	COVID-19 (1)	Non-Operating (2)	Non-GAAP
Total revenue	$ 96,074	$ 1,326	$ 419	$ 97,819
Provision for credit losses	49,522	(23,900)	(674)	24,948
G&A expense	46,243	-	(3,786)	42,457
Interest expense	10,159	-	23	10,182
Income (loss) before income taxes	(9,850)	25,226	4,856	20,232
Income taxes	(3,525)	9,157	1,763	7,395
Net income (loss)	$ (6,325)	$ 16,069	$ 3,093	$ 12,837
Diluted earnings (losses) per share	$ (0.56)	$ 1.43	$ 0.27	$ 1.14
Diluted share count	11,253	11,253	11,253	11,253

(1) COVID-19 impact includes $23,900 for allowance for credit losses and a $1,326 reserve for unemployment insurance claims
(2) Non-operating items include costs of $3,066 related to the executive transition and $1,790 related to the loan management system outage

Non-GAAP Financial Measures (Cont'd)

REGIONAL MANAGEMENT

in thousands	1Q 20	1Q 19	2019	2018	2017	2016
Total assets	$ 1,078,890	$ 953,467	$ 1,158,540	$ 956,395	$ 829,483	$ 712,224
Less: Intangible assets	9,144	9,722	9,438	10,010	10,607	6,448
Tangible assets (non-GAAP)	1,069,746	943,745	1,149,102	946,385	818,876	705,776
Gross long-term debt	777,847	628,786	808,218	660,507	571,496	491,678
Total stockholders' equity	251,362	287,816	302,783	279,161	239,411	207,475
Less: Intangible assets	9,144	9,722	9,438	10,010	10,607	6,448
Tangible common equity (non-GAAP)	$ 242,218	$ 278,094	$ 293,345	$ 269,151	$ 228,804	$ 201,027
Diluted weighted-average shares	11,253	12,076	11,773	12,078	11,783	12,085
Funded debt-to-equity ratio	3.09	2.18	2.67	2.37	2.39	2.37
Funded debt-to-tangible equity ratio (non-GAAP)	3.21	2.26	2.76	2.45	2.50	2.45
Total stockholders' equity to total assets	23.3%	30.2%	26.1%	29.2%	28.9%	29.1%
Tangible equity to tangible assets (non-GAAP)	22.6%	29.5%	25.5%	28.4%	27.9%	28.5%
Total stockholders' equity per share	$ 22.34	$ 23.83	$ 25.72	$ 23.11	$ 20.32	$ 17.17
Tangible equity per share (non-GAAP)	$ 21.52	$ 23.03	$ 24.92	$ 22.28	$ 19.42	$ 16.63

Non-GAAP Financial Measures (Cont'd)

REGIONAL MANAGEMENT

in thousands	GAAP	Non-Operating [1] [2]	Non-GAAP
G&A expense	$ 46,243	$ (3,786)	$ 42,457
Total revenue	$ 96,074	$ 1,745	$ 97,819
Efficiency ratio	48.1%	(4.7%)	43.4%
G&A expense	$ 46,243	$ (3,786)	$ 42,457
Average net finance receivables	$ 1,123,316	$ -	$ 1,123,316
Operating expense ratio [3]	16.5%	(1.4%)	15.1%

(1) Non-operating G&A expense items include costs of $3,066 related to the executive transition and $720 related to the loan management system outage

(2) Non-operating total revenue items include $419 related to the loan management system outage and a $1,326 reserve for unemployment insurance claims related to COVID-19

REGIONAL™ MANAGEMENT

REGIONAL™ MANAGEMENT

RM LISTED NYSE